

The one thing I don't want to do is to replicate the false confidence that was premised on bubbles. And I think that we've really got to think through—and all of you, as critical captains of industry, have to help us think through—how do we prevent this froth that builds up and go back to steady growth, fundamental growth that's based on making things, providing good services, innovating, exporting, as opposed to just borrowing and leveraging? And that is going to be a challenge, and there's going to be some adjustment.

But even with consumers—I mean, we've got this interesting situation where we're actually seeing consumers do exactly what we would have liked them to do, just not all at once, and that's starting to save some, right? Paying down credit card bills, making sure that they've socked away a little bit each month for their retirement, for their kids' college education, that, ultimately, is a positive thing.

We just want to make sure that everybody understands, you know what, you don't have to stop in your tracks here. Things are going to get better. It's going to require some patience. And the one thing that I think our country and our culture will benefit from is an end to short-term gratification and a recognition that, ultimately, you build up value by hard work and dedication and sweat, and there are going to be some bumps in the road and things take time.

But I'm very confident about it, and I hope you are too.

Thank you, everybody. All right.

NOTE: The President spoke at 4:03 p.m. at the St. Regis Hotel. In his remarks, he referred to Secretary of Education Arne Duncan; Peter R. Orszag, Director, Office of Management and Budget; Harold McGraw III, chairman, president, and chief executive officer, The McGraw-Hill Companies; John J. Castellani, president, Business Roundtable; Samuel J. Palmisano, chairman of the board and chief executive officer, IBM Corp.; Anne M. Mulcahy, chairman and chief executive officer, Xerox Corp.; Prime Minister Gordon Brown of the United Kingdom; Prime Minister Kevin M. Rudd of Australia; Minister of Foreign Affairs Yang Jiechi and President Hu Jintao of China; William D. Green, chairman and chief executive officer, Accenture; Assistant to the President for Energy and Climate Change Carol M. Browner; Ivan G. Seidenberg, chairman and chief executive officer, Verizon Communications; Daniel S. Fulton, president and chief executive officer, Weyerhaeuser Co.; and Richard D. Parsons, chairman of the board of directors, Citigroup, Inc.; James L. Dimon, chairman of the board of directors and chief executive officer, JPMorgan Chase & Co.; and Secretary of the Treasury Timothy F. Geithner.

Remarks Following a Meeting With President's Economic Recovery Advisory Board Chairman Paul A. Volcker and an Exchange With Reporters March 13, 2009

The President. Well, listen, I just had a meeting with Paul Volcker and our business advisory board to discuss a wide range of issues, but with some particular focus on the financial markets. And the thing I want to emphasize is that we are spending every day working through how to get credit flowing again so that businesses, large and small, as well as consumers, are able to obtain credit, and we can get this economy moving again.

As I've said before, that's one of the legs of the stool in rebuilding the economy; the first

one, a stimulus package that is going to be hitting the ground and putting people back to work. The second part of this is making sure that not just the banking system, but also the credit system as a whole, is functioning and that we fix some of the plumbing there. We're going to have to do some long-term financial regulatory work, and Mr. Volcker has a range of ideas on that. But that's something that we have to do very carefully. How do we eliminate systemic risks so that this kind of problem never happens again? And finally, we've got to do

some coordination with other countries in order to assure that what we do here in the United States corresponds with strong efforts overseas.

The last point that I'd make—and I made this point to the Business Roundtable yesterday—it is very important, even as we're focused on the financial system and the credit markets, that we are laying the foundation for what I'm calling a post-bubble economic growth plan. The days when we are going to be able to grow this economy just on an overheated housing market or people spending—maxing out on their credit cards, those days are over. What we need to do is go back to fundamentals, and that means driving our health care costs down. It means improving our education system so our children are prepared and we're innovating in science and technology. And it means that we're making this transition to the clean energy economy. Those are the priorities reflected in our budget, and that is part and parcel with the short-term steps that we're taking to make sure that the economy gets back on its feet.

So I am very grateful to Paul for his ongoing advice and counsel to the other members of the business community who participated, and we're going to be doing a lot of outreach and working with them consistently in the weeks and months to come.

Paul, anything to add?

Chairman Volcker. Well, let me just say, you all know this is a very complicated matter, just in the financial system, and you've been talking to us, talking to others, and concentrating on that. And I'm sure some program will be developed.

But there are big economic problems behind the financial system too. They're going to take longer to work out. And you've got those problems while we're working on this immediate crisis, continuing crisis in the financial system.

The President. Thanks. Okay, guys, thank you. Have a great weekend.

National Economy

Q. Mr. President, Mr. Summers says Americans have an excess of fear. Can you elaborate on that?

The President. Well, I think, as I said to the Business Roundtable, our capacity is undiminished. We have the most productive workers on Earth. We've got some of the most innovative businesses on Earth. We've got the greatest universities, incredible infrastructure, and we've got the most dynamic free market economy on Earth.

We've got some significant problems that have been built up over a long period of time. There was a lot of over-leveraging that was taking place in the financial system. But the bottom line is, is that those businesses that were creating outstanding products and services 2 years ago, they are still creating outstanding products and services. And those workers who were getting up every day and doing outstanding work, they've still got an incredible desire to work hard and grow this economy and do right by their families.

So what we need to do is to make sure that we're putting in the pillars economically to deal with the short-term emergency, to stabilize the economy, and to put in the foundation for long-term economic growth. That's a overarching package that, I think, the American people are hungry for. They feel confident about America. The business executives I met with yesterday are confident about our ability to grow long term. We've got to get through this difficult period.

And, look, there are a lot of individual families who are increase—experiencing incredible pain and hardship right now. If you've been laid off your job, if you've lost your home, then, you know, right now is very tough. But we're providing help along the way. That's why we put a housing program in place; that's why we're going to be announcing additional steps to help small businesses.

But if we are keeping focused on all the fundamentally sound aspects of our economy, all the outstanding companies, workers, all the innovation and dynamism in this economy, then we're going to get through this. And I'm very confident about that.

All right? Thank you, guys. Appreciate it. Have a good weekend.

NOTE: The President spoke at 1:31 p.m. in the Oval Office at the White House. A reporter re-

ferred to Lawrence H. Summers, Director, National Economic Council.

The President's Weekly Address

March 14, 2009

I've often said that I don't believe government has the answer to every problem or that it can do all things for all people. We are a nation built on the strength of individual initiative. But there are certain things that we can't do on our own. There are certain things only government can do. And one of those things is ensuring that the foods we eat and the medicines we take are safe and don't cause us harm. That's the mission of our Food and Drug Administration, and it is a mission shared by our Department of Agriculture and a variety of other agencies and offices at just about every level of government.

The men and women who inspect our foods and test the safety of our medicines are chemists and physicians, veterinarians and pharmacists. It's because of the work they do each and every day that the United States is one of the safest places in the world to buy groceries at a supermarket or pills at a drugstore. Unlike citizens of so many other countries, Americans can trust that there is a strong system in place to ensure that the medications we give our children will help them get better, not make them sick, and that a family dinner won't end in a trip to the doctor's office.

But in recent years, we've seen a number of problems with the food making its way to our kitchen tables. In 2006, it was contaminated spinach. In 2008, it was Salmonella in peppers and possibly tomatoes. And just this year, bad peanut products led to hundreds of illnesses and cost nine people their lives, a painful reminder of how tragic the consequences can be when food producers act irresponsibly and Government is unable to do its job. Worse, these incidents reflect a troubling trend that's seen the average number of outbreaks from contaminated produce and other foods grow to nearly 350 a year, up from 100 a year in the early 1990s.

Part of the reason is that many of the laws and regulations governing food safety in

America have not been updated since they were written in the time of Teddy Roosevelt. It's also because our system of inspection and enforcement is spread out so widely among so many people that it's difficult for different parts of our Government to share information, work together, and solve problems. And it's also because the FDA has been underfunded and understaffed in recent years, leaving the agency with the resources to inspect just 7,000 of our 150,000 food processing plants and warehouses each year. That means roughly 95% of them go uninspected.

That is a hazard to public health. It is unacceptable, and it will change under the leadership of Dr. Margaret Hamburg, whom I am appointing today as Commissioner of the Food and Drug Administration. From her research on infectious disease at the National Institutes of Health to her work on public health at the Department of Health and Human Services to her leadership on biodefense at the Nuclear Threat Initiative, Dr. Hamburg brings to this vital position not only a reputation of integrity but a record of achievement in making Americans safer and more secure. Dr. Hamburg was one of the youngest people ever elected to the National Academy of Sciences' Institute of Medicine. And her two children have a unique distinction of their own. Their birth certificates feature her name twice, once as their mother and once as New York City health commissioner. In that role, Dr. Hamburg brought a new life to a demoralized agency, leading an internationally recognized initiative that cut the tuberculosis rate by nearly half and overseeing food safety in our Nation's largest city.

Joining her as Principal Deputy Commissioner will be Dr. Joshua Sharfstein. As Baltimore's health commissioner, Dr. Sharfstein has been recognized as a national leader for his efforts to protect children from unsafe